

THE OFFICE OF RISK MANAGEMENT (ORM)
FIELD ADJUSTER'S INSPECTION & REPORTING CRITERIA:

The field adjuster's investigation, inspection, scope, damage documentation, and detailed estimate is a critical part of the claim file. Thorough inspection of the insured property is essential in ensuring the claim is documented for coverage determination and for presentation to the excess carrier(s), if involved. During a CAT event, the field adjuster may be required to provide an estimate for both covered property and non-covered property damage to provide additional claim documentation for FEMA, if involved. The following are minimal acceptable standards and guidelines for field inspection and reporting.

Inspection Standards/Guidelines

- Confirm building being inspected matches the building ID and building name provided on the assignment
- The building ID is the identifying number on file at ORM, the agency may use a separate numbering system and naming system
- If it is discovered that additional buildings sustained damaged from the current loss event, which were not reported, contact the TPA examiner or team lead to obtain permission to inspect and to receive the building ID and building name
- A thorough inspection documenting damages and/or lack of damages is required
- The adjuster will investigate the loss, ask questions, find out who discovered the loss, when did the damage occur, determine if the cause is due to a repetitive problem, ask more questions, talk to the right personnel
- When performing interior inspections, if unable to access a room or building, a line item in the estimate should be included with explanation and discussed in the report
- If only a few rooms sustained damage within in a building, the field adjuster should:
 - ◆ Inspect and measure the affected rooms and adjacent room(s) with common walls and, if in a multiple story building, the room(s) above or below, if applicable
 - ◆ If adjacent rooms and/or upper and lower rooms are inspected and there is no visible damage found, photograph to verifying findings and make appropriate comments in the report
- Ensure accurate measurements are taken, measuring to the nearest inch
- Confirm with agency if any temporary or emergency repairs were made prior to the inspection; if so obtain documentation, photograph, and comment on same in the report
 - Obtain maintenance documents from the agency, as needed

Photograph Standards/Guidelines

- Photographs should document damages in a consistent manner

- Document damage related to the loss event, pre-existing damage, as well as areas without damage, as needed
- All photographs must be labeled to identify what is being photographed, including building and/or room name, and description of what is damaged or was not damaged
- All roofs, exterior, and interior areas of buildings along with fencing and outdoor property inspected must be photographed
- If inspected, photograph it - All roofs, exterior, and interior areas of buildings along with fencing and outdoor property inspected must be photographed
- Photograph presentation/labeling:
 - ◆ The first photo should be the ID photos, consisting of overview photo of the building and a photo of the building address or signage.
 - ◆ The ID photos will be labeled with building ID, building name, and address
 - ◆ Each area/room should begin with a photo showing what room/elevation is being photographed, then overview photograph, then damage or lack of damage photographs
 - ◆ Each photograph must have a detailed label, the building name and the roof/area being photographed should be shown at the beginning of each photo labeling.
 - ◆ Example of photograph labeling for a claim:
 - 123456-004 | Boat House | ID Photo | Address
 - Boat House | Roof - Overview
 - Boat House | Roof – South (front) slope overview
 - Boat House | Roof – South (front) slope| Test square,10 hail hits
 - Boat House | Roof – North (back) slope overview
 - Boat House | Roof – North (back) slope | Test square,14 hail hits
 - Boat House | Roof – Front offset, west and east slopes - overview | Test square – north slope – 0 hail hits
 - Boat House | Roof – Front offset, west and east slopes - Test squares - west slope, 9 hail hits and east slope – 5 hail hits
 - Boat House | South Elevation | Overview, no storm related damage
 - Boat House | West Elevation | Overview
 - Boat House | West Elevation | Fascia missing, wind damage
 - Boat House | North Elevation | Overview, no storm related damage
 - Boat House | North Elevation | Rotted fascia, not storm related
 - Boat House | East Elevation | Overview, no storm related damage
 - 234567-001 | Lasalle Bldg | ID photo | Address

- Lasalle Bldg | Overview of roof, north and west ends
- Lasalle Bldg | Overview of roof, south and east ends
- Lasalle Bldg | Roof: Small tower blown down, rods and disks penetrated roof
- Lasalle Bldg | Roof: Closer view of penetration to roof covering
- Lasalle Bldg | 7th Floor (top floor) | Rm 7-256 (*ID photo showing room plaque or similar identification of the room being inspected*)
- Lasalle Bldg | Rm 7-256 - Water intrusion due to storm created opening in roof, damage to ceiling tiles
- Lasalle Bldg | Rm 7-256 – Small area of carpet wet from water intrusion
- Lasalle Bldg | Rm 7-254 (*ID photo showing room plaque or similar identification of the room being inspected*)
- Lasalle Bldg | Rm 7-254 – Overview, no storm related damage found
- Lasalle Bldg | Rm 7-254 – Overview of ceiling, no storm related damage noted in this room
- Lasalle Bldg | 6th Floor | Rm 6-254 – Overview of room directly below Rm 7-256, no water intrusion or other storm related damage found
- Lasalle Bldg | Ground Floor | Rm G-160 (*ID photo showing room plaque or similar identification of the room being inspected*)
- Lasalle Bldg | Rm G-160 – Entry area, Overview
- Lasalle Bldg | Rm G-160 – Entry area, water damage to carpet, surface water blew in or seeped in under the door
- Lasalle Bldg | Rm G-160 - Water damage to drywall due to wind driven rain around window, no wind created opening

Diagrams Standards / Guidelines

- All roof inspections require diagrams
- All interior inspections require diagrams (refer to additional instruction under Inspection Standards/Guidelines regarding requirements for interior room diagrams)
- If agency has a site map or building layout obtain copies and include with diagrams
 - ◆ Floor layouts provided by the agency will be useful to the field adjuster; however an Xactimate diagram must still be provided which properly depicts the rooms (floor layouts usually only provide squared off representations of the rooms)
- Roof and interior diagrams should indicate north
- Label the diagram with the building ID and building name
- Roof and interior diagrams should be entered as separate diagrams in Xactimate

- The naming convention for the rooms used on the interior diagrams, photo labeling, and on the estimate should match
- The point of origin for a fire or water intrusion or impact of tree onto building should be noted on the diagram

Estimating Practices

- Estimates should be set up so that the claim number, building ID, and building name print on the estimate
- All applicable coverages and policy limits should be set up in Xactimate and the estimate entries should be associated with the applicable coverage
- If the loss involves more than one mobile structure (and there is coverage for mobile structures):
 - ◆ The policy limit for mobile structures will encompass all mobile structures at the premises
 - ◆ Mobile structures are usually associated with a specific building, and thus identified by the specific building's name and ID.
 - ◆ Set up mobile structure as a coverage in Xactimate with the policy limit
 - ◆ All involved mobile structures should be set up under mobile structure coverage; enter each mobile structure's diagram(s) and estimate, so that an estimate can be printed separately (if needed) for each structure
 - This will allow application of the policy limit against all the mobile structures
- If no damage or pre-existing damage is found to a room, building, elevation, etc. it should be included in the report with an explanation
- No tax should be applied to any estimate line item
- A deductible should not be applied to the estimate, denote in the header or footer that the estimate does not reflect application of a deductible.
- Scheduled buildings have replacement cost coverage afforded
- All types of contents, mobile structures/buildings, fencing and other outdoor property are at actual cash value (ACV)
- Depreciation should be based on age and condition of the item
- If applicable, O&P should be entered as Overhead (10%) and Profit (10%), not overhead on profit
 - ◆ Do not apply O&P to every line item on the estimate unilaterally, if O&P is not applicable to an item
 - ◆ An estimate for building damage and fence repair, may not require O&P on the fencing work
- All estimates should be written in a consistent manner, example:

- ◆ Roof damages
- ◆ Exterior damages
- ◆ Interior damages, broken down by room
- ◆ Ordinance or Law (Code Upgrade)
- ◆ Temporary/Emergency Repairs
- ◆ General Item, e.g. dumpster charges, temporary security fencing, access (charges for boat/barges to bring materials to a remote site), etc.
- Use F9 notes as needed within the estimate
- Estimates should include quantity, unit price, tax, O&P, RVC, depreciation, and ACV columns
- Provide a trade summary, coverage summary, and scope sheet with all estimates
- If estimate includes more than one coverage, print and submit a full estimate, and provide a printed estimate per coverage

Narrative Standards/Guidelines

- Use the ORM provided report template and refer to the caption instructions for additional reporting requirements
- All CAT team and field adjusters must provide a copy of the .esx file on all claims upon request
- Additional reporting activities may be requested